

S E C R E T BRASILIA 002787

SIPDIS

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TAGS: PREL BR PINR

SUBJECT: BRAZIL: AMBASSADOR'S MEETING WITH COSTA RICAN  
PRESIDENT PACHECO, 5 NOVEMBER 2004

Classified By: AMBASSADOR JOHN J. DANILOVICH. REASONS: 1.4  
(B)(D).

**¶1.** (SBU) Ambassador Danilovich met over dinner in Rio de Janeiro on 5 November 2004 with Costa Rican President Abel Pacheco and vice foreign minister Vargas, who were in the city for the Rio Group meeting. Pacheco provided some candid and provocative observations on the following issues:

**¶2.** Rio Group Meeting:

-- (C) Lula Gives Cuba a Miss: To general relief among the assembled chiefs of state, President Lula da Silva did not mention Cuba in his formal remarks, Pacheco said. There had been fear among participants that Lula might repeat Foreign Minister Amorim's recent calls in other regional fora to reach out to Cuba, an appeal that has generally fallen flat among Brazil's neighbors. Pacheco said rumor in the meeting had it that the original speech draft provided to Lula by the foreign ministry had included a Cuba section, which the presidency had, after consideration, decided to delete.

-- (C) Chavez: Pacheco also noted that insulting jokes about Venezuelan President Chavez's "buffoonery" were "rampant" throughout the course of the meeting. (But see para 3 below). (Comment: Chavez was vocal and utterly isolated in his criticism of the UN mission in Haiti; the GOB effectively rallied the Rio Group behind a robust statement of support for international efforts there. End comment.)

-- (C) Apologies: Pacheco confided that he had quietly made the rounds of leaders at the meeting in Rio, to privately apologize for the facts surrounding the recent resignation of OAS Secretary General Rodrigues, who returned to Costa Rica to face a corruption investigation. Pacheco noted that he had introduced language for three strong anti-corruption resolutions during the Rio meeting, two of which were adopted.

**¶3.** Other Issues:

-- (C) New OAS SG: Pacheco said that Costa Rica will support Paco Flores for the new SG. If that candidacy does not move ahead, Costa Rica will consider backing the candidates from Trinidad and Mexico.

-- (S) Venezuelan clandestine activity: Pacheco told Ambassador that Costa Rica's intelligence service is surveilling the activities of the Venezuelan cultural attache in San Jose. The GOCR believes the attache is an intelligence officer who is meeting secretly with labor union officials, and has brought 200,000 USD into Costa Rica to pay labor activists to stage "provocations," perhaps during the upcoming Ibero-American summit in Costa Rica. Pacheco requested USG intelligence assistance in the matter, and Ambassador undertook to pass the request on.

-- (C) Corruption: Pacheco opined that it is shocking and embarrassing that Costa Rica has two former presidents in jail for corruption, with a third on the way probably heading there soon. At the same time, Pacheco also found it constructive and salutary that Costa Rica's justice system is actively investigating and punishing corrupt officials, and that culprits are "serving real jail time, not in house arrest and their beach homes."

Danilovich